

**MINUTES OF THE
FUNDING OF STATE AND COUNTY HEALTH AND HUMAN SERVICES TASK FORCE**
Thursday, October 10, 2002 – 9:00 a.m. – Room 403 State Capitol

Members Present:

Sen. Carlene Walker, Chair
Rep. Jack A. Seitz, Chair
Sen. Gene Davis
Sen. Scott K. Jenkins
Rep. David L. Hogue
Rep. Patricia W. Jones
Rep. Loraine T. Pace
Rep. Lawanna "Lou" Shurtliff

Commissioner Bill Cox
Director Kerry D. Steadman

Staff Present:

Mr. Stewart E. Smith, Managing Research Analyst
Mr. Robert H. Rees, Associate General Counsel
Mr. Mark B. Steinagel, Information Consultant
Ms. Alicia M. Laughlin, Legislative Secretary

Note: A list of others present and a copy of materials can be found at <http://www.image.le.state.ut.us/imaging/history.asp> or by contacting the committee secretary, Alicia Laughlin, at 538-1032.

1. Committee Business

Chair Seitz called the meeting to order at 9:03 a.m.

MOTION: Rep. Shurtliff moved to approve the minutes of the September 19, 2002 meeting. The motion passed unanimously, with Sen. Davis, Sen. Jenkins, Rep. Hogue, Rep. Jones, and Dir. Steadman absent for the vote.

2. Funding for Medicaid Inflation

Mr. Rod Betit, Executive Director, Department of Health, addressed funding for Medicaid inflation by the Department. He indicated that the pressure on the counties is to continue to preserve their available services without receiving increased funding.

Mr. Jack Tanner, Director, Utah Behavioral Healthcare Network, distributed "Financial Risk" and "Community Mental Health Center Funding - 1997 - 2002." He explained the Mental Health Medicaid Model and addressed its funding sources and implications.

3. Mandatory and Non-mandatory Services and Costs

Mr. Mark Walsh, Utah Association of Counties (UAC), distributed a spreadsheet "County Funds Appropriated for Human Services Programs." He discussed the handout.

Mr. Steinagel distributed two tables titled "Department of Human Services" and "Salt Lake County Aging Services Funding Analysis Area Plan Budget -FY03" at the request of Sen. Davis. He discussed the information.

Sen. Davis addressed the information presented and explained the cost sharing involved for mandated and non-mandated services.

Mr. Walsh commented on the issue of required services. He indicated his concern for strong service needs of a number of counties that do not have the ability to raise property taxes to fund those services because of state and federal ownership of lands within their counties.

4. Draft Legislation

Mr. Robert H. Rees, Associate General Counsel, distributed "Recommendations for Statutory Changes - October 10, 2002" and highlighted the revisions made to the handout. Mr. Rees also distributed draft legislation "Substance Abuse and Mental Health Amendments." He clarified the legislation and reviewed how the language would effect the various sections of the Utah Code.

5. Response to Recommendations

Ms. Robin Arnold-Williams, Executive Director, Department of Human Services, indicated that the Department had a joint meeting with the area agency on aging directors earlier in the week and is going to be working jointly to look at the statutory language for the local substance abuse and mental health authorities to see if it can be replicated with aging. They will also sort out some of the roles and responsibilities. It is questionable whether that process will be completed this year.

Sen. Walker asked what she would suggest the Task Force do to retain its progress if the Department is not able to complete before the last meeting what they have been asked to do. Ms. Arnold-Williams indicated her support of the UAC's recommendation that the Task Force request to continue for another year so that they may accomplish what they need to do.

Ms. Jennifer Seelig, Utah League of Cities and Towns, indicated that the League does not have a formal position on the UAC's recommendations due to time constraints. She referred to a letter explaining Hyrum City's position. She said that there is not a uniform position across the state on the statutory recommendations. Ms. Seelig indicated that the League supports continued efforts of the Task Force to study these issues and would be happy to provide any information the Task Force requests.

Dir. Steadman requested that Ms. Seelig ask for responses or concerns from the other 3 areas that may want to operate Mental Health.

Ms. Michelle Benson, Director, Bear River Region, responded to the letter from Hyrum City. She indicated that in the two years she has been there, they have never been contacted about these issues. Comm. Cox asked who establishes the funding source in their local area and what that funding is based on. Ms. Benson indicated that the agency's advisory council establishes the funding source through a funding formula based on population and geographical area.

Sen. Walker commented on the rural/urban issue. She indicated that those living on the Wasatch Front receive more services than those in rural areas.

Mr. Richard Melton, Deputy Director, Department of Health, distributed the Department's letter to the Task Force regarding the suggested statutory changes by the Utah Association of Counties. He explained that the Department believes legislation is not required to make the requested changes.

6. County Governing Bodies and Governor's Fiscal Staff

Ms. Lynne N. Ward, Director, Governor's Office of Planning and Budget (GOPB), introduced Mr. Stephen C. Jardine, Budget Analyst, GOPB, and distributed "Information presented to the Funding of State and County Health and Human Services Task Force." She responded to the county's suggestion to participate in a meaningful presentation to the Governor's office regarding budget requests. She addressed the state revenue growth and the change in general funds and school funds from FY 2001 to FY 2003. Ms. Ward also addressed Medicaid growth in Utah from FY 1996 through FY 2003. She concluded that it is important to involve flexibility in the process.

7. Funding of Human Services in Other States

Mr. Steinagel addressed dedicated funding streams for human services in other states. He indicated that Alabama has four taxes, a portion of which, go to funding human services. He identified the funding streams of several other states.

Sen. Jenkins distributed an article titled "Some schools testing students for tobacco." He addressed the issue of using tobacco tax revenue as a potential source of funding and dedicating it to health and human services programs.

Sen. Davis indicated his concern that dedicating funds would take away the State's ability to use funds in other parts of the budget if necessary.

8. Other Items / Adjourn

MOTION: Sen. Davis moved to adjourn the meeting. The motion passed unanimously with Rep. Shurtliff absent for the vote.

Chair Seitz adjourned the meeting at 11:50 a.m.